

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

MINUTES OF THE APRIL 11, 2005 MEETING

President, Michele Hulse, called the Controlling Board meeting to order at 1:40 p.m. Serving on the Controlling Board were Senator John Carey, Representative Charles Calvert, Senator Robert Spada, Representative Tom Raga, Senator Ray Miller and Representative Sylvester Patton.

President Hulse said this meeting is the first for the “e-Controlling Board” at which agencies submitted their requests electronically, eliminating the need for paper files and the change had gone well. President Hulse also thanked agency representatives for their patience and said the next step is for the seven board members to be provided with lap top computers so they can view requests electronically.

The minutes of the March 28, 2005, meeting were distributed. A motion to approve the minutes was made by Senator Spada, seconded by Representative Calvert and approved by the Board members.

Attached is the April 11, 2005, meeting agenda. President Hulse said Item 37, DMR501-05 has been deferred. Item 9, UTO102-05 has been revised to show request as a release only, not a transfer, Item 13, DAS603-05 revised to remove internal DAS tracking document attachment, Item 33, DOH201-05 revised to correct vendor number to 510339655, Item 45, DRC702-05 revised the dollar amount on page 2, paragraph 2, end of next to last sentence, to \$805,179.00, Item 46, DRC704-05, revised page 1, funding information, second line item, to read GSF, item 47, DRC707-05 revised page 2, paragraph 5, first sentence from effective 3/29/05, to read 4/12/05 and Item 48, DRC708-05 revised page 1, summary to read Fairlawn instead of Erlanger.

A motion for blanket approval of all items not held for questions was made by Representative Calvert and seconded by Senator Spada and approved by all Board members.

The following Items were discussed and acted upon as stated.

Item 3, OSU102-05 was held by Senator Spada. Senator Spada inquired about the 70% increase over the original bid for the Veterinary Hospital Roof Replacement Phase II project and asked how much went towards safety protection. Anne Pensyl, Special Assistant to University Architect, Ohio State University said she did not have that information with her today but will provide the information to him later. When you decide to go back to the beginning of a design project it does add some time. Unfortunately the time it added was also a period of great escalation for petroleum products so there has been escalated materials cost and also labor cost. The item was approved without objection.

Item 8, UTO101-05 was held by Senator Carey. Senator Carey asked if the university is confident that SSOE, Inc. can do the work for slightly less than \$25,000.00. Fred Peltier, Manager Capital Projects, University of Toledo said yes, when the university wrote the program for this project, Phase I of the project was currently being completed and they based their estimates on the actual cost for Phase I. The engineer had to do a lot of surveying, testing and system assessment for the entire system before they could design Phase I so essentially they did a lot of the preliminary work that wasn't necessary to do in Phase II. The item was approved without objection.

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Item 10, UTO103-05 was held by Senator Spada. Senator Spada asked why the university is taking money from a project that is not completed yet. Fred Peltier, Manager Capital Projects, University of Toledo said the university signed the final change order on the project last week so they know the exact cost on it and exactly how much money they have left that is uncommitted so this does not present a problem financially for the project. The item was approved without objection.

Item 13, DAS603-05 was held by Senator Miller. Senator Miller asked if there is anyone in the state of Ohio who has the capability of training state employees. Ellen Maysner, Department of Administrative Services said in the mid 1990's the department purchased training programs exclusively developed by the Sterling Institute for the State of Ohio and the department holds perpetual licenses for these courses. No one else in the state delivers or has focused this kind of training for state employees. Representative Patton asked what Sterling would be doing to train with the upgrade. Ms. Maysner said the training has a purpose and a goal to build and improve on the current level of competency and capability within the DAS Office of Training and Development for the staff and to deliver the selected Sterling Institute materials. The final goal is to increase the staff's training capacity to meet customer requirement levels that are growing and increasing with the changing workforce in terms of succession planning for supervisors and managers in the next three to seven years. Senator Carey asked if \$70,000.00 is the cost of the upgrade. Ms. Maysner said \$30,590.00 is for the actual master certifying and train the trainer process and \$40,000.00 is a technical upgrade for the management and participant survey assessments that are used in conjunction with the integrated curriculum. Senator Carey asked when is the next tune up. Ms. Maysner said the goal would be within the next three to five years to be able to upgrade on the remaining three courses. The item was approved with Senator Miller objecting.

Item 17, AGR203-05 was held by Representative Calvert and Representative Raga. Representative Calvert questioned the difference between the lowest bid of \$282,900.00 and the \$339,531.00 amount for the request. Todd Dickson, Fiscal Supervisor, Department of Agriculture said that adding \$15,457.00 for the contingency fee and \$18,478.00 for the Architect's fee brings the total to \$339,531.00. Representative Calvert asked how old is Animal Building 6. Mr. Dickson said the building was constructed in five different phases. Initially the old building was built in the sixties and has expanded throughout the years. The last addition to the building was over ten years ago. Representative Calvert asked whether the department is having roofs replaced that are only ten years old. Mr. Dickson said no, the part of the roof that they are replacing is twenty to thirty years old. The newest addition is ten years old so it is not a ten-year-old roof that they are replacing. Representative Raga asked how long will the new roof last and is there a warranty with it. Mr. Dickson said they would be receiving a 10-year warranty with the roof. The item was approved without objection.

Item 30, EDU404-05 was held by Senator Carey, Representative Calvert, and Senator Miller. Senator Carey expressed his concern about the amount of the request coming in under the \$50,000.00 threshold and asked why the contract is for \$49,960.00. Jamie Posgai, Program Manager, Department of Education said the department knew when they released the RFP in January that this work would need to span two fiscal years so when proposals were submitted they were broken down by deliverables. Deliverables 1 and 2 occurring in fiscal year 2005 and Deliverables 3 and 4 occurring in fiscal year 2006. The dollar amount of \$49,960.00 is for fiscal year 2005. The continuation of this work for deliverables 3 and 4 will be \$29,500.00 to finish up the written case study and to present the finding to the low performing schools at the Schools of Promise Conference in October. Representative Calvert

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asked why the department didn't award all of the work to the universities in Ohio rather than go to a commercial firm. Ms. Posgai said the department received 17 proposals and selected the top four proposals with one of those being a university here in Ohio. Representative Calvert asked if it is really necessary for the department to conduct another study in this area rather than put those resources into supporting Ohio universities. Ms. Posgai said in October 2003, the Closing Achievement Task Force was organized and the report was released with one of the recommendations being to identify schools in Ohio who have high poverty (40% or greater) and are meeting or exceeding the state standard (75%) in reading and/or mathematics. So the department would like to conduct this in-depth case study based on that task force report. Senator Miller asked if someone from the department would contact him to discuss the matter. Ms. Posgai said yes. Representative Patton asked whether it was stated in the RFP what the department was looking for. Ms. Posgai said yes, the RFP was very specific and did outline what the department was looking for. Susan Tavakolian, Executive Director, Department of Education requested that the request be deferred to the next Controlling Board meeting to give the department an opportunity to talk individually with Board members and present more information. The item was deferred without objection.

Item 32, EXP106-05 was held by Senator Spada and Senator Miller. Senator Spada asked if the contract would be bid out next year. Doug Smalley, Finance Director, Expositions Commission said an RFP would be issued after this year's fair. Senator Miller asked if this is the same proposal that was before the Board at the last meeting. Mr. Smalley said it is exactly the same, nothing has been changed since that Board meeting. The item was approved with Senator Miller and Representative Patton objecting.

Item 47, DRC707-05 was held by Representative Raga. Representative Raga asked if there would be changes in the future by the change in scope of duties with various Correctional Healthcare consultants. Greg Trout, Chief Counsel, Department of Rehabilitation and Correction said this is a delicate point in the life of the case but it is possible that the department may come back to the Board to ask for approval for these individuals or most of them in a new role under a formal document that does not yet exist. The item was approved without objection.

Item 49, TTA101-05 was held by Senator Carey. Senator Carey asked how many hours the \$28,080.00 will cover and for what period of time. Michele Marra, Tuition Trust Authority said the request is to amend the contract with Sirius System Consulting for an additional 432 hours at \$65.00 per hour through the end of fiscal year 2005. Senator Carey expressed his concern of the original contract coming in less than \$400.00 under the \$50,000.00 threshold and now requesting a \$28,080.00 amendment putting the amount way over the threshold. Ms. Marra said back in July 2003 when they entered into this contract they had no idea that 18 months later they would add 15 Vanguard options which has escalated the tasks around the Powerbuilder application and greatly increased the need for expertise to enhance the application for the Tuition Trust Authority. The item was approved with Senator Carey and Representative Calvert objecting.

Item 50, TTA102-05 was held by Representative Raga. Representative Raga asked how the expenses for advertising impact the investment revenue and where do the dollars flow from. Michele Marra, Tuition Trust Authority said all of the revenue comes from base points revenue that they earn on investment options. Putman investments are 20 base points and Vanguard is also 20 base points. The item was approved without objection.

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With no further business before the board, the meeting was adjourned at 3:15 p.m.

Respectfully submitted,

Francene Johnson
Controlling Board Executive Secretary

04/11/05 Minutes approved by the Board:
